



0000025453

BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER
Chairman
WILLIAM A. MUNDELL
Commissioner
JEFF HATCH-MILLER
Commissioner
MIKE GLEASON
Commissioner
KRISTIN K. MAYES
Commissioner

Arizona Corporation Commission

DOCKETED

JAN 27 2004

DOCKETED BY

NR

IN THE MATTER OF AT&T
COMMUNICATIONS OF THE MOUNTAIN
STATES TARIFF FILING TO INTRODUCE
THE ALL IN ONE PREFERENTIAL HUNT
FEATURE FOR AT&T LOCAL
EXCHANGE

DOCKET NO. T-02428A-03-0847

DECISION NO. 66750ORDER

Open Meeting
January 13 and 14, 2004
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. AT&T Communications of the Mountain States ("AT&T") is certified to provide intrastate telecommunications service as a public service corporation in the State of Arizona.

2. On November 24, 2003, AT&T filed tariff revisions to its Arizona Tariff. The tariff revisions are listed below:

Arizona Tariff

Section 7, second revised Page 11

Section 7, first revised Page 38

3. Currently the Preferential Hunt Feature is being provided with no charge. The new rate for this service is \$4.50 with a maximum rate of \$13.50.

4. AT&T stated that it is filing these tariff revisions to enable it to recover the costs it incurs when business customers make changes to the local exchange services they receive from AT&T. Staff has reviewed AT&T's proposals for these services in nineteen other states in which

1 AT&T filed similar proposals. Staff has concluded that its proposal in Arizona is similar to its
2 proposals in other states. Additionally, Staff has determined that there are several providers in
3 Arizona with similar charges.

4 5. Since this filing increases the maximum rates for a component of a service that has
5 been classified as competitive under the Commission's Competitive Telecommunications Services
6 Rules, Arizona Administrative Code Rule R14-2-1110 applies to AT&T's proposal. AT&T
7 provided the information required by R14-2-1110 to allow Staff to determine the potential effects
8 of approval of the filing. The information provided indicates that the expected revenue effect of
9 approval of this filing is an increase of less than 1 percent in AT&T's Arizona revenues.

10 6. Staff has reviewed AT&T's customer notification and believes that it is consistent
11 with Commission rules.

12 7. The rates contained in this filing are for services that have been classified as
13 competitive by the Commission and that are now subject to the Commission's Competitive
14 Telecommunications Services Rules. Under those rules, rates for competitive services are not set
15 according to rate of return regulation standards.

16 8. Staff requested information from AT&T regarding its fair value rate base. The fair
17 value rate base of AT&T is in excess of \$20 million. However, the rate to be ultimately charged
18 by AT&T will be heavily influenced by the market. Because of the nature of the competitive
19 market and other factors, a fair value analysis is not necessarily representative of the company's
20 operations. Therefore, while Staff considered the fair value rate base information submitted by
21 AT&T, it did not accord that information substantial weight in its analysis of this matter.

22 9. Staff recommends approval of this filing.

23 CONCLUSIONS OF LAW

24 1. AT&T Communications of the Mountain States is an Arizona public service
25 corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

26 2. The Commission has jurisdiction over AT&T and over the subject matter of the
27 Application.

28 ...

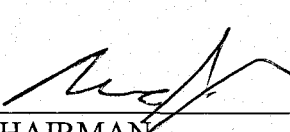
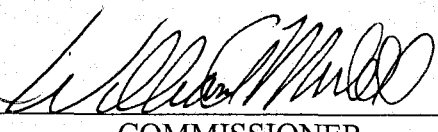
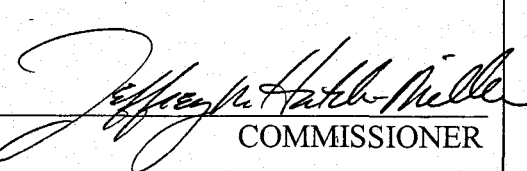
3. The Commission, having reviewed the tariff pages (copies of which are contained in the Commission's tariff files) and Staff's Memorandum dated December 30, 2003, concludes the tariff is reasonable, fair and equitable, and is therefore in the public interest.

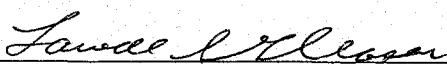
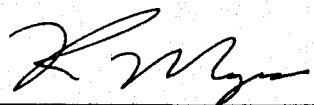
ORDER

IT IS THEREFORE ORDERED that the tariff pages listed in Finding of Fact No. 2 are approved.

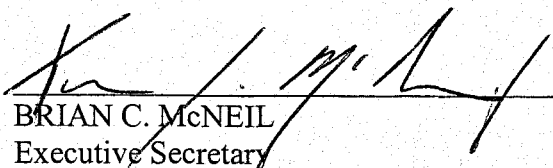
IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

  
CHAIRMAN COMMISSIONER COMMISSIONER

 
COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 27th day of January, 2004.


BRIAN C. McNEIL
Executive Secretary

DISSENT: _____

DISSENT: _____

EGJ:AMG:rdp/MAS

SERVICE LIST FOR: AT&T Communications of the Mountain States
DOCKET NO. T-02428A-03-0847

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